

FORM MR-EXP
(Revised July 1, 2005)

For Division Use Only

File Number E/0191058
 Date NOI Received 5/30/06
 Date NOI Approved _____
 Date NOI Expires _____
 DOGM Lead Doug Jensen
 Permit Fee \$ 150 Ck # 124

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801
 Telephone: (801) 538-5291 - Fax: (801) 359-3940

NOTICE OF INTENTION TO CONDUCT EXPLORATION

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated, 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

PLEASE NOTE: All information provided in this Notice of Intention shall be protected as confidential information by the Division. If extra space is required to completely answer any section, please attach additional sheets and include cross-referenced page numbers as necessary. The Permittee / Operator may submit this information on an alternate form, but the same or similar format and content must be used.

R647-1-106 - "Exploration" means surface disturbing activities conducted for the purpose of discovering a deposit or mineral deposit, delineating the boundaries of a deposit or mineral deposit, and identifying regions or specific areas in which deposits or mineral deposits are most likely to exist. "Exploration" includes, but is not limited to: sinking shafts; tunneling; drilling holes and digging pits or cuts; building of roads, and other access ways;" (and constructing and operating other facilities related to these activities).

I. GENERAL INFORMATION (Rule R647-2-104)

1. **Project Name:** TUSHER Redwood claim
2. **Name of Person or Entity Applying for Permit:** LARRY WALKER
 Contact (Authorized Officer): JAMIE
 Address: 97 E. MT. PEALE ^{Peale}
 City, State, Zip: MOAB UTAH 84532
 Phone: 435 259 3524 Fax: _____
 E-mail Address: _____
 Company () Corporation () Partnership () Individual ☒
 Other () - specify type _____
 A corporation must be registered with the State of Utah, Division of Corporations. Are you currently registered to do business in the State of Utah? ☐ Yes ☒ No
 Business License # N/A
 Registered Agent (as identified on business license): N/A
 Address: _____
 City, State, Zip: _____
 Phone: _____ Fax: _____

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MAY 30 2006

DIV. OF OIL, GAS & MINING

3. **Name of Operator (if different from #2)** W/A
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Partnership or Individual:

Name of 1st owner / partner: LARRY WALKER
Address: 97 G. MT. PEAK
City, State, Zip: MOAB UTAH 84532
Phone: 435 259 3526 Fax: _____
E-mail Address: _____

Name of 2nd owner / Partner: W/A
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Corporation or Limited Liability Entity:

Name of Officers: W/A Title: _____
Title: _____
Title: _____
Title: _____

4. **Permittee / Operator Representative** (if different from #2):
Name: W/A
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. **Project Location:**

County(ies): GRAND
N.E. 1/4, S.E. 1/4, _____ 1/4: Section: 24 Township: 24 S Range: 19 E.
____ 1/4, _____ 1/4, _____ 1/4: Section: _____ Township: _____ Range: _____
____ 1/4, _____ 1/4, _____ 1/4: Section: _____ Township: _____ Range: _____

6. **Ownership of the land surface**

Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐

State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): _____

Name: _____ Address: _____
Name: _____ Address: _____
Name: _____ Address: _____
Name: _____ Address: _____

7. **Owner(s) of minerals within the land to be affected:**Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐State Trust Land/School Sections ☐ State Sovereign Lands ☐

Other (please describe): _____

Name: _____ Address: _____

Name: _____ Address: _____

Name: _____ Address: _____

8. **BLM Lease or Project File Number(s) and/or USFS Assigned Project Number(s)** _____BLM Claim Numbers: CASI UMC 367759Utah State Lease Number(s) N/AName of Lessee(s) N/A9. **Have the above surface and mineral owners been notified in writing?** Yes ☒ No ☐

If no, why not? _____

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

10. **Does the Permittee / Operator have legal right to enter and conduct exploration on the land covered by this notice?** Yes ☒ No ☐II. **MAPS & DRAWINGS** (Rule R647-2-105)

An accurate topographic base map showing the location of the proposed exploration project must be submitted with this notice. A USGS 7.5 minute series map is preferred. The areas to be disturbed should be plotted in sufficient detail so that they can be located on the ground. It is recommended that the Permittee / Operator also plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.

III. **PROJECT DESCRIPTION** (Rule 647-2-106)1. **Minerals to be explored:** CARNELION AGATE2. **Amount of material to be extracted, moved or proposed to be moved:** UNKNOWN3. **Identify the type or method of exploration proposed (place an "X"):**____ Cuts ____ Pits ☒ Trenches ____ Shafts ____ Tunnels

____ Air Drilling ____ Fluid Drilling

____ Other (describe) _____

4. **Proposed Disturbances** (Approximate):

Drill Pads: How many? _____ Width _____ (ft) Length _____ (ft)

Drill Holes: How many? _____ Depth _____ (ft) Diameter _____ (in)

Shafts, trenches, pits, cuts, or other types of disturbance.

Describe type, how many of each, and general dimensions.

Small TRENCHES
Approx. 20' x 30' will be recontoured before
moving to next ADJACENT location
Maximum Depth of 5 feet

☐ New Road(s): Length _____ (ft) Width _____ (ft)☐ Improved Road(s) Length _____ (ft) Width _____ (ft)Total project acreage to be disturbed UNKNOWN (acres)5. **Proposed exploration schedule** (dates):Begin: MAY 2006 End: 5 year PURCHASE CONTRACTIV. **OPERATION AND RECLAMATION PRACTICES** (Rules R647-2-107, 108, and 109)

An exploration site is required to be kept in a clean and safe condition. Upon completion of exploration, the land is to be reclaimed to a useful condition with at least 70 percent of the original vegetative ground cover. To accomplish this, the Permittee / Operator will need to do the following work where applicable:

1. *Keep the exploration site in a safe, clean, and environmentally stable condition.*
2. *Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.*
3. *Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination, in accordance with R647-2-108.*
4. *Construct berms, fences, or barriers, when needed, above highwalls and excavations.*
5. *Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.*
6. *Remove all waste or debris from stream channels.*
7. *Dispose of any trash, scrap metal, wood, machinery, and buildings.*
8. *Conduct exploration activities so as to minimize erosion and control sediment.*
9. *Reclaim all roads that are not part of a permanent transportation system.*

10. Stockpile topsoil and suitable overburden prior to making excavations.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seed bed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.
14. Plant the seed with a rangeland or farm drill, or broadcast seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-2-110) Yes ✓ No _____

Any variance must be approved by the Division in writing.

Rules R647-2-107, Operation Practices; R647-2-108, Hole Plugging Requirements; and R647-2-109, Reclamation Practices are summarized on the preceding page. Any planned deviations from these rules should be identified below and justification given for the variance request(s).

<u>Item Number</u>	<u>Variance Request Justification</u>
<u>13</u>	<u>Brushy Basin sterile sediments</u>

VI. SURETY (Act 40-8-7(1)[c])

The surety must be provided to and approved by the Division prior to commencement of operations.

The Utah Mined Land Reclamation Act (40-8-7 (1)[c] and 40-8-14 provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed according to approved *notices* consistent with on-site conditions. The surety amount is based on the nature, extent and duration of operations. These amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions.

\$5,700 for the 1st acre; and

\$3,450 for each additional acre.

Acceptable forms of surety may include: certificates of deposit, letters of credit, surety bonds & cash. Please identify which type of surety you will post so we can provide you with the appropriate forms.

- ☐ Certificate of Deposit
 ☐ Letter of Credit
 ☐ Surety Bond
 ☐ Cash
☐ Other As Requested by STATE (please identify)

(please be advised that the State Treasurer's office may require additional monies to administer cash sureties).

Check if applicable:

- ☐ Reclamation surety is already posted with another regulatory agency (**copy must be included as proof**):
 \$ _____ (amount) _____ (Agency name)

VII. PERMIT FEE [Mined Land Reclamation Act 40-8-7(1)(i)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7 (1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees

are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

Exploration Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.

NOTICE: The following person(s) are authorized and designated to receive Notices of Violations, Cessation Orders and all other Notices required by the Division to be given to the permittee or operator:

Name: LARRY WALKER
Address: 97 E. MT. PEALE
City, State, Zip: MOAB UTAH 84532
Phone: 435 259 3520 Fax: _____
E-mail Address: _____

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

VIII. SIGNATURE REQUIREMENT

I hereby verify that the foregoing information is true and accurate and commit to the reclamation of the aforementioned exploration project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.

(Please check the box(s) and place your initials on the line(s) provided)

- LW ☒ I have enclosed the required permit fee.
- _____ ☐ I have enclosed the appropriate reclamation surety amount or have made arrangements as to when the surety will be furnished.
- LW ☒ I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.
- LW ☒ I understand that the information in this notice, regarding the location, size and nature of the mineral deposit, will be protected as confidential information, until the file is closed (unless I give written release to divulge the information sooner).

(Note: If a company or corporation, this form must be signed by the owner or officer who is authorized to bind the company/corporation to this Notice.)

Signature of Permittee / Operator/Applicant: [Signature]
Name (typed or print): LARRY WALKER
Title/Position (if applicable): _____
Date: 5/25/06